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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/695,585

10/28/2003

Scott Goldthwaite

WS-103

5377

27769

7590

10/10/2006

AKC PATENTS

215 GROVE ST.

NEWTON, MA 02466

EXAMINER

SOBUTKA, PHILIP

ART UNIT

PAPER NUMBER

2618

DATE MAILED: 10/10/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 10/695,585	<b>Applicant(s)</b> GOLDTHWAITE ET AL.	
	<b>Examiner</b> Philip J. Sobutka	<b>Art Unit</b> 2618	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-23 is/are pending in the application.  
4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☒ Claim(s) 16-23 is/are allowed.
- 6) ☒ Claim(s) 1,2 and 9-15 is/are rejected.
- 7) ☒ Claim(s) 3-8 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date <u>7/3/06</u> . | 6) <input type="checkbox"/> Other: ____.  |

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 103***

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

3. Claims 1,2,9-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hatakeyama (US 2002/0002507) in view of Hofmann (US 6,311,241)

Consider claim 1. Hatakeyama teaches a wireless mobile device adapted to access a wireless network comprising:

a connector (*Hatakeyama see figure 1, paragraph 18*);

a magnetic stripe reader module electrically connected to the connector

(*Hatakeyama see figure 1, paragraph 18*); and

wherein said magnetic stripe reader module is adapted to receive and read information stored in a magnetic stripe and transmit said information to an entity via said wireless network (*Hatakeyama, see figures 1,2, paragraphs 7,18-22*).

Hatakeyama lacks a teaching of the connector for magnetic strip reader to the mobile device being a subscriber identification module (SIM) card slot.

Hofmann teaches using the SIM slot on a wireless phone as a connector for other electronic plug in devices (*Hofmann see especially column 2, lines 15-25, column 3, lines 38-60*). Hoffman notes that the slot is already present on the devices (*Hofmann see especially column 1, lines 60-68*). It would have been obvious to one of ordinary skill in the art to modify Hatakeyama to use the SIM slot to connect the magnetic strip reader in order to utilize an already existing slot as taught by Hofmann.

As to claim 2, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 1 further comprising a payment card comprising said magnetic stripe (*Hatakeyama see paragraph 20*) and wherein said information is selected from a group consisting of payment card owner identification information, payment card identification information, authentication information, payment card issuer information, and financial institution information (*Hatakeyama, see paragraphs 24-28*).

As to claim 9, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 1 wherein said wireless mobile device is selected from a group consisting of a mobile phone (*Hatakeyama, see figure 1*). However Hatakeyama in

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view of Hofmann lack a teaching of the device being selected from the group consisting of a personal digital assistant, a pager, a wireless laptop computer, a personal computer, a television remote control, and combinations thereof. Official Notice is taken that all of these are well known and popular forms of wireless devices. Therefore it would have been obvious to one of ordinary skill in the art to modify the device to take one of the claimed forms in order to allow the user to utilize any of these popular forms of a wireless device they preferred.

As to claim 10, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 1 wherein said wireless network is selected from a group consisting of a wireless wide area network (WWAN) (*Hatakeyama, see paragraph 1*). However Hatakeyama in view of Hofmann lack a teaching of the network being selected from the group consisting of a wireless local area network (WLAN), a private network, and a personal area network (PAN). Official Notice is taken that all of the claimed networks are notoriously well known in the art. Therefore it would have been obvious to one of ordinary skill in the art to modify Hatakeyama in view of Hofmann as shown in the claim in order to allow for use with a variety of common wireless systems.

As to claim 11, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 10, but lacks a teaching of wherein said wireless wide area network (WWAN) is selected from a group consisting of a Global System for Mobile Communications (GSM), a General Packet Radio Service (GPRS), a Code Division Multiple Access (CDMA), CDMA 2000, and wideband CDMA (WCDMA). Official Notice is taken that all of the claimed networks are notoriously well known in the art. Therefore

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it would have been obvious to one of ordinary skill in the art to modify Hatakeyama in view of Hofmann as shown in the claim in order to allow for use with a variety of common wireless systems.

As to claim 12, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 1 wherein said wireless mobile device is used for making financial transactions between a user and said entity with a payment card comprising said magnetic stripe over said network (*Hatakeyama, see paragraphs 24-28*).

As to claim 13, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 12 wherein said financial transactions between said user and said entity are face-to-face (*Hatakeyama, note that the purchase could be made at the seller location as long as the seller had a web site see paragraphs 5-14,24-28*).

As to claim 14, Hatakeyama in view of Hofmann teaches the wireless mobile device of claim 12 wherein said financial transactions between said user and said entity are remote (*Hatakeyama, note that the purchase can be made remotely through the web, see paragraphs 5-14,24-28*).

Consider claim 15. An electronic communication method comprising:

purchasing a good or a service from a merchant; paying with a payment card comprising a magnetic stripe via a wireless mobile device (*Hatakeyama, see paragraphs 5-14*); and

wherein said wireless mobile device is adapted to access a wireless network and comprises a connector and a magnetic stripe reader module electrically connected

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to the connector and wherein said magnetic stripe reader module is adapted to receive and read information stored in said magnetic stripe and transmit said information to an entity via said wireless network (*Hatakeyama*, see *figures 1,2, paragraphs 24-28*).

Hatakeyama lacks a teaching of the connector for magnetic strip reader to the mobile device being a subscriber identification module (SIM) card slot.

Hofmann teaches using the SIM slot on a wireless phone as a connector for other electronic plug in devices (*Hofmann* see especially *column 2, lines 15-25, column 3, lines 38-60*). Hoffman notes that the slot is already present on the devices (*Hofmann* see especially *column 1, lines 60-68*). It would have been obvious to one of ordinary skill in the art to modify Hatakeyama to use the SIM slot to connect the magnetic strip reader in order to utilize an already existing slot as taught by Hofmann.

***Allowable Subject Matter***

4. Claims 3-8, 16-23 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Consider claim 3. The nearest prior art as shown in Hatakeyama and Hofmann fails to teach the wireless mobile device of claim 1 further comprising a memory; a Central Processing Unit (CPU); a SIM card connected to the SIM card slot, the SIM card authenticating the wireless mobile device to the wireless network; and a first application program associated with the memory and the CPU and being adapted to receive and

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transmit instructions from the magnetic stripe reader module to the wireless mobile device and the reverse.

Consider claim 16. The nearest prior art as shown in Hatakeyama and Hofmann fails to teach an electronic payment method utilized by a customer to pay a merchant with a payment card comprising a magnetic stripe for a face-to-face purchase of a good or service comprising: placing an order by the customer for the purchase of the good or service to the merchant; providing a wireless mobile device wherein the wireless mobile device is adapted to access a wireless network and comprises a subscriber identification module (SIM) card slot and a magnetic stripe reader module electrically connected to the SIM card slot and wherein the magnetic stripe reader module is adapted to receive and read information stored in the magnetic stripe and transmit the information via the wireless network; entering information of the purchase in the wireless mobile device; swiping the magnetic stripe through the magnetic stripe reader, retrieving payment card identification information from the magnetic stripe and authorizing payment for the good or service; formatting the purchase information, the payment card identification information and the payment authorization into a first message and sending the first message to an authentication server via the wireless network; authenticating and sending the first message by the authentication server to a financial institution; registering the purchase information and sending approval for the payment by the financial institution to the authentication server; forwarding the payment



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approval to the wireless mobile device; and fulfilling the order to the customer by the merchant.

Consider claim 19. The nearest prior art as shown in Hatakeyama and Hofmann fails to teach an electronic payment method utilized by a customer to pay a merchant with a payment card comprising a magnetic stripe for a remote purchase of a good or service comprising: placing an order by the customer for the purchase of the good or service to a merchant server via a first network and choosing to pay via a wireless mobile device wherein the wireless mobile device is adapted to access a wireless network and comprises a subscriber identification module (SIM) card slot and a magnetic stripe reader module electrically connected to the SIM card slot and wherein the magnetic stripe reader module is adapted to receive and read information stored in the magnetic stripe and transmit the information via the wireless network; providing the merchant server with an identification information for the wireless mobile device; creating a digital order comprising purchase information and the identification number for the wireless mobile device by the merchant server; routing the digital order to an authentication server via the first network; formatting the digital order into a first message wherein the first message is adapted to be transmitted over the wireless network; routing the first message over the wireless network to the wireless mobile device; displaying the first message on the wireless mobile device; requesting and receiving authorization of payment from the customer via the wireless mobile device; swiping the magnetic stripe through the magnetic stripe reader and retrieving payment

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card identification and security information; formatting authorization result and payment card identification and security information into a second message and routing the second message to the authentication server; authenticating and routing the second message to a financial institution, wherein the financial institution is the issuer of the payment card; and approving and executing the payment at the financial institution. forwarding the payment approval to the authentication server and from the authentication server to the wireless mobile device; and fulfilling the order to the customer by the merchant.

### ***Conclusion***

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Philip J Sobutka whose telephone number is 571-272-7887. The examiner can normally be reached Monday through Friday from 8:30 - 5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Matthew D. Anderson can be reached on 571-272-4711.

6. The central fax phone number for the Office is 571-273-8300.

Most facsimile-transmitted patent application related correspondence is required to be sent to the Central FAX Number.

**CENTRALIZED DELIVERY POLICY:** For patent related correspondence, hand carry deliveries must be made to the Customer Service Window (now located at the Randolph Building, 401 Dulany Street, Alexandria, VA 22314), and facsimile transmissions must be sent to the Central FAX number, unless an exception applies. For example, if the examiner has rejected claims in a regular U.S. patent application, and the reply to the

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examiner's Office action is desired to be transmitted by facsimile rather than mailed, the reply must be sent to the Central FAX Number.

7. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



9/20/02

**PHILIP J. SOBUTKA**  
**PATENT EXAMINER**

Philip J Sobutka

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